



# Solid quarter with strong growth

## Second quarter April–June 2023

- Net revenue increased 23.2 percent to 715.3 MSEK (580.7).
- Operating profit (EBIT) increased 147.1 percent to 24.8 MSEK (10.0), corresponding to an operating margin of 3.2 percent (1.6).
- Adjusted EBITDA increased 19.0 percent to 83.2 MSEK (69.9), corresponding to an adjusted EBITDA margin of 10.7 percent (11.3).
- Adjusted EBITA increased 56.0 percent to 50.1 MSEK (32.1), corresponding to an adjusted EBITA margin of 6.5 percent (5.2).
- Profit for the quarter amounted to –60.4 MSEK (–21.8).
- Earnings per share after dilution amounted to –0.86 SEK (–0.31).
- Cash flow from operating activities amounted to –29.5 MSEK (–40.1).
- Consolidated cash and cash equivalents together with unutilised credit facilities amounted to 283.2 MSEK (335.2) as of 30 June 2023.
- The Board of Directors decided to appoint Martin Walfisz as new CEO. Martin, who takes office on 28 August 2023, succeeds Anders Maiqvist, Acting CEO since 10 August 2022.
- Lennart Sparud announced that he has chosen to end his employment as CFO for new challenges outside the company. The recruitment process for a new CFO began immediately.

## The period January–June 2023

- Net revenue increased 12.8 percent to 1,270.7 MSEK (1,126.7).
- Operating profit (EBIT) increased 173.6 percent to 44.0 MSEK (16.1), corresponding to an operating margin of 3.2 percent (1.3).
- Adjusted EBITDA increased 36.1 percent to 155.8 MSEK (114.4), corresponding to an adjusted EBITDA margin of 11.2 percent (9.3).
- Adjusted EBITA increased 70.3 percent to 102.6 MSEK (60.2), corresponding to an adjusted EBITA margin of 7.4 percent (4.9).
- Profit for the period amounted to –47.0 MSEK (–20.7).
- Earnings per share after dilution amounted to –0.67 SEK (–0.29).
- Cash flow from operating activities amounted to 34.9 MSEK (162.6).

### Events after the end of the quarter

No significant events after the end of the quarter.

## Key performance indicators

GROUP	2023 Q2	2022 Q2	Δ%	2023 Jan–Jun	2022 Jan–Jun	Δ%
Operating income, MSEK	776.5	618.7	25.5%	1,387.7	1,225.7	13.2%
Net revenue, MSEK	715.3	580.7	23.2%	1,270.7	1,126.7	12.8%
Gross profit, MSEK	284.1	232.8	22.0%	529.8	459.7	15.3%
Gross margin, %	36.6%	37.6%		38.2%	37.5%	
EBITDA, MSEK	80.9	69.9	15.7%	148.0	114.4	29.3%
Adjusted EBITDA, MSEK	83.2	69.9	19.0%	155.8	114.4	36.1%
Adjusted EBITDA margin, %	10.7%	11.3%		11.2%	9.3%	
EBITA, MSEK	47.8	32.1	49.2%	94.8	60.2	57.4%
Adjusted EBITA, MSEK	50.1	32.1	56.0%	102.6	60.2	70.3%
Adjusted EBITA margin, %	6.5%	5.2%		7.4%	4.9%	
Operating result (EBIT), MSEK	24.8	10.0	147.1%	44.0	16.1	173.6%
Operating margin (EBIT margin), %	3.2%	1.6%		3.2%	1.3%	
Profit for the period, MSEK	–60.4	–21.8	177.4%	–47.0	–20.7	–127.1%
Net core working capital, MSEK	701.1	929.5	–24.6%	701.1	929.5	–24.6%
Cash flow from operating activities, MSEK	–29.5	–40.1	26.6%	34.9	162.6	–78.5%
Interest-bearing net debt, MSEK	365.4	252.2	44.9%	365.4	252.2	44.9%
Interest-bearing net debt/adjusted EBITDA, R12M	0.9	0.7	17.4%	0.9	0.7	17.7%
Earnings per share before dilution, SEK	–0.86	–0.31	–177.4%	–0.67	–0.29	–130.4%
Earnings per share after dilution, SEK	–0.86	–0.31	–177.4%	–0.67	–0.29	–130.4%

See page 23 for the definition of key performance indicators.



# CEO Comments

The Games segment reported net revenue of 107 MSEK and adjusted EBITA of 38 MSEK in the second quarter. New game releases contributed 42 MSEK to revenue during the quarter, while the Co-Development and Partners revenue streams reported lower net revenue than in the comparison quarter. In the Distribution segment, Bergsala delivered a strong second quarter, and organic growth in the segment is 31 percent with an adjusted EBITDA of 27 MSEK.

Thunderful Group's net revenue amounted to 715 MSEK (581) and its adjusted EBITA was 50 MSEK (32). Cash flow from operating activities during Q2 amounted to -30 MSEK (-40). The development in cash flow can be explained by a change in total inventories during the quarter of -56 MSEK, although during Q2 Amo Toys made purchases ahead of the peak season, for which advance payments and goods in transit totalled 65 MSEK.

## **Distribution: improved profitability and a strong quarter in Bergsala**

Net revenue for the Distribution segment totalled 608 MSEK (466), while adjusted EBITDA was 27 MSEK (8).

Bergsala is responsible for the entire growth, delivering net revenue of 409 MSEK and 35 MSEK in adjusted EBITDA, despite adjusted EBITDA being adversely affected by -8 MSEK due to exchange rate effects. The growth is attributable to the successful release of the game *The Legend of Zelda: Tears of the Kingdom*, continued good access to hardware, and strong underlying demand from Nintendo's successful release of *The Super Mario Bros. Movie*.

Amo Toys reported somewhat lower net revenue but improved profits compared to the comparison quarter, with the impact of the warehouse relocation continuing to reduce the cost mass.

Again this quarter, Nordic Game Supply reported far lower net revenue than in the comparison quarter, and with net revenue of only 98 MSEK the company is a loss-maker, despite cost initiatives over the past year. Seasonally speaking, Q2 is a challenging quarter for the industry, but it remains difficult to predict demand for the company's distributed products, and our assessment is that future demand will remain low in the short term.

## **Games: high revenue contribution from game releases, but weak development in other revenue streams**

Net revenue for the Games segment totalled 107 MSEK (115), while adjusted EBITDA was 38 MSEK (35). Game releases contributed 42 MSEK (4), while weak development in the Co-Development and Partners streams explains the lower net revenue figure. The end of a major agreement in Partners is the main factor behind the drop in net revenue compared to the comparison period for these revenue streams.

The positive contribution from game releases is mainly attributable to the release of *Planet of Lana* an accompanying platform deal, as well as a platform deal from the game *Viewfinder*, for which Thunderful

Publishing delivered a finished game during Q2; while the release on PlayStation and PC took place in July.

Both *Planet of Lana* and *Viewfinder* have been praised by gamers and reviewers alike, with average scores of 81 and 83 respectively on OpenCritic. Thunderful's marketing department also successfully built up strong interest in the games ahead of their release, achieving the Group's highest wish-list ratings ever ahead of a game launch. Even so, initial sales of the games have not matched our anticipated wish-list conversion rate. Several other listed publishers, focusing on games in the indie and AA categories, have also reported challenges in achieving high initial sales figures on high-quality indie and AA games during the first half of 2023.

For Thunderful, the releases entail certain adjustments in our release plan for *SteamWorld Build*. At the same time, we also note that both *Planet of Lana* and *Viewfinder* continue to achieve high ratings and positive recommendations among players. As with other best-sellers in our back catalogue, we expect to be able to maintain high and even sales and attract new players for a long time to come.

Finally, I would like to thank all Thunderful employees for their great dedication, and it has been a true pleasure to have the board's confidence to manage the operation over the past 12 months. The improved margins in Distribution and growth in Games over the past year are the result of strong commitment and high work morale among our employees. In my first annual accounts as former CFO of the Group, we reported net revenue below 400 MSEK, and as incoming CEO Martin Walfisz now joins us, I wish him all the best in continuing Thunderful's growth journey from our current annual net revenue figure of around 3,200 MSEK.



**Gothenburg, August 2023**  
**Anders Maiqvist, Acting CEO**

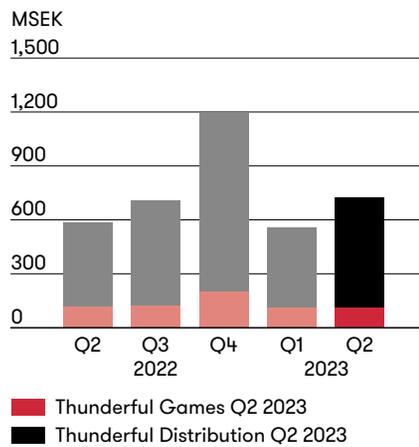


# About Thunderful Group

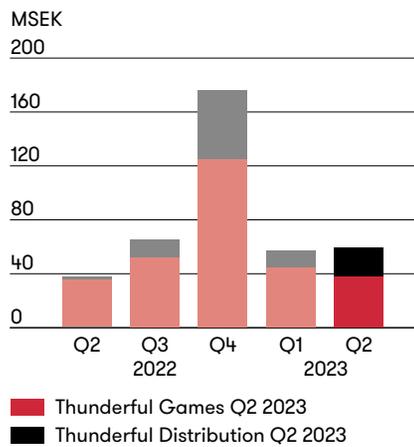
Thunderful Group is a group of companies active in the development and publishing of games as well as the distribution of Nintendo products, games, game accessories, toys and other products.

With its head office in Gothenburg, Thunderful Group covers the entire gaming industry value chain through its Thunderful Games and Thunderful Distribution segments. The Group consists of 28 subsidiaries and has more than 500 employees in Europe.

**Net revenue, Q2 2022–Q2 2023**



**Adjusted EBITA, Q2 2022–Q2 2023**



**Thunderful Group**

## MISSION

To provide creative entertainment products of the highest quality for people of all ages

## VISION

To be a leader in a world where everyone can play



VIEWFINDER / SAD OWL STUDIOS



# Financial development of the Group

## Second quarter (1 April–30 June)

### Net revenue

The Group's net revenue for the second quarter amounted to 715.3 MSEK (580.7), corresponding to an increase of 23.2 percent. The underlying drivers are described in the section for each segment.

### Segment

Net revenue decreased 6.8 percent to 107.1 MSEK (114.9) in the Games segment and increased 30.6 percent to 608.2 SEK (465.8) in the Distribution segment.

MSEK	2023 Q2	2022 Q2	Δ%
Thunderful Games	107.0	114.9	-6.8%
Thunderful Distribution	608.2	465.8	30.6%
- of which, Bergsala	409.2	222.7	83.7%
- of which, Nordic Game Supply	97.7	138.8	-29.6%
- of which, Amo Toys	101.4	104.4	-2.9%
Other	0.0	0.0	0.0%
<b>Net revenue</b>	<b>715.3</b>	<b>580.7</b>	<b>23.2%</b>

Thunderful Games reported organic growth of -9.3 MSEK. Acquisition-driven growth for the quarter contributed 1.5 MSEK in net revenue.

%	Games	Distribution
	2023 Q2	2023 Q2
Net revenue growth, %	-6.8%	30.6%
- of which, organic, %	-8.1%	30.6%
- of which, acquired, %	1.3%	0.0%

In the Distribution segment, net revenue increased 83.7 percent to 409.2 MSEK (222.7) in Bergsala, decreased 29.6 percent to 97.7 MSEK (138.8) in Nordic Game Supply and decreased 2.9 percent to 101.4 MSEK (104.4) in Amo Toys.

Bergsala's sales are up compared to the comparison quarter driven by the successful release of the game *The Legend of Zelda: Tears of the Kingdom*, continued good access to hardware, and strong underlying demand from Nintendo's successful release of *The Super Mario Bros. Movie*. Nordic Game Supply is adversely affected by lower market demand in general, particularly in the higher price categories. The sales in Amo Toys are on a par with the comparison quarter.

### Gross profit

Gross profit for the first quarter amounted to 284.1 MSEK (232.8), corresponding to an increase of 22.0 percent and a gross margin of 36.6 percent (37.6). This profit trend was attributable to a sharp increase in net revenue in the Distribution segment, with a significantly lower gross margin than in the Games segment, while a decrease in net revenue in the Games segment.

### Operating expenses

Costs for goods for resale and purchased games-development services and royalties increased 27.6 percent to -492.4 MSEK (-385.9).

Other external expenses increased 2.0 percent to -83.0 MSEK (-81.0).

Personnel expenses increased 28.4 percent to -98.5 MSEK (-70.0). The total number of employees at the end of the quarter was 506 (444).

Depreciation and amortisation decreased 3.8 percent to -56.1 MSEK (-59.9). PPA-related depreciation (Purchase Price Allocation) increased by 1.1 MSEK.

### Adjusted operating profit, EBITDA

Adjusted operating profit before depreciation, amortisation and impairment of intangible assets and property, plant and equipment (EBITDA) during the quarter amounted to 83.2 MSEK (69.9), corresponding to an adjusted EBITDA margin of 10.7 percent (11.3). Adjusted EBITDA was adjusted for restructuring-related non-recurring items of -2.3 MSEK (0.0).

### Segment

Adjusted EBITDA for the Games segment amounted to 64.7 MSEK (67.1) for the quarter, corresponding to an adjusted EBITDA margin of 43.8 percent (46.7). Adjusted EBITDA was adjusted for restructuring-related non-recurring items of -2.3 MSEK (0.0).

Adjusted EBITDA for the Distribution segment totalled 27.3 MSEK (7.8) for the quarter, corresponding to an adjusted EBITDA margin of 4.3 percent (1.6).

### Adjusted operating profit, EBITA

Adjusted operating profit before acquisition-related depreciation and amortisation (EBITA) amounted to 50.1 MSEK (32.1) for the quarter, corresponding to an adjusted EBITA margin of 6.5 percent (5.2). Adjusted EBITA was adjusted for restructuring-related non-recurring items of -2.3 MSEK (0.0).

### Segment

Adjusted EBITA for the Games segment amounted to 37.7 MSEK (34.6) for the quarter, corresponding to an adjusted EBITA margin of 25.5 percent (24.1). Adjusted EBITA was adjusted for restructuring-related non-recurring items of -2.3 MSEK (0.0).

Adjusted EBITA for the Distribution segment totalled 21.3 MSEK (2.5) for the quarter, corresponding to an adjusted EBITA margin of 3.4 percent (0.5).



### Operating profit, EBIT

Operating profit during the quarter amounted to 24.8 MSEK (10.0), corresponding to an operating margin of 3.2 percent (1.6). Operating profit includes -2.3 MSEK (0.0) of restructuring-related non-recurring items.

### Segment

Operating profit in the Games segment amounted to 21.6 MSEK (21.9) for the quarter, corresponding to an operating margin of 14.6 percent (15.2). Operating profit includes -2.3 MSEK (0.0) of restructuring-related non-recurring items.

Operating profit in the Distribution segment amounted to 12.0 MSEK (-6.8) for the quarter, corresponding to an operating margin of 1.9 percent (-1.4).

### Financial net

Financial net amounted to -82.6 MSEK (-23.2). Of the total financial net, -57.1 MSEK (-20.3) comprised the net of exchange gains and exchange losses, -8.6 MSEK (-2.3) of the net from interest cost and interest income and -17.0 MSEK (-0.6) of the net from the revaluation of earn-outs.

Net exchange gains and exchange losses includes effects of -36.3 MSEK from unrealised exchange effects.

### Profit for the period

Profit for the period amounted to -60.4 MSEK (-21.8), corresponding to a net profit margin of -7.8 percent (-3.5).

### Other comprehensive income

Other comprehensive income during the quarter was impacted by currency translation differences in foreign operations and totalled 110.3 MSEK (38.1).





## The Period (1 January–30 June)

### Net revenue

The Group's net revenue for the period amounted to 1,270.7 MSEK (1,126.7), corresponding to an increase of 12.8 percent. The underlying drivers are described in the section for each segment.

### Segment

Net revenue increased 8.6 percent to 214.1 MSEK (197.2) in the Games segment and increased 13.7 percent to 1,056.6 SEK (929.5) in the Distribution segment.

MSEK	2023 Jan-Jun	2022 Jan-Jun	Δ%
Thunderful Games	214.1	197.2	8.6%
Thunderful Distribution	1,056.6	929.5	13.7%
– of which, Bergsala	614.3	406.2	51.2%
– of which, Nordic Game Supply	227.5	302.9	-24.9%
– of which, Amo Toys	214.8	220.4	-2.5%
Other	0.0	0.0	0.0%
<b>Net revenue</b>	<b>1,270.7</b>	<b>1,126.7</b>	<b>12.8%</b>

Thunderful Games reported organic growth of 16.9 MSEK. Acquisition-driven growth for the period contributed 3.5 MSEK in net revenue.

%	Games	Distribution
	Jan-Jun 2023	Jan-Jun 2023
Net revenue growth, %	8.6%	13.7%
– of which, organic, %	6.8%	13.7%
– of which, acquired, %	1.8%	0.0%

In the Distribution segment, net revenue increased 51.2 percent to 614.3 MSEK (406.2) in Bergsala, decreased 24.9 percent to 227.5 MSEK (302.9) in Nordic Game Supply and decreased 2.5 percent to 214.8 MSEK (220.4) in Amo Toys.

Bergsala's sales are up compared to the comparison period driven by the successful release of the game *The Legend of Zelda: Tears of the Kingdom*, continued good access to hardware, and strong underlying demand from Nintendo's successful release of *The Super Mario Bros. Nordic Game Supply* is adversely affected by lower market demand in general, particularly in the higher price categories. The sales in Amo Toys are on a par with the comparison quarter.

### Gross profit

Gross profit for the period amounted to MSEK 529.8 (459.7), corresponding to an increase of 15.3 percent and a gross margin of 38.2 percent (37.5).

### Operating expenses

Costs for goods for resale and purchased games-development services and royalties increased 12.0 percent to -857.9 MSEK (-766.0).

Other external expenses decreased 1.7 percent to -167.3 MSEK (-170.2).

Personnel expenses increased 30.1 percent to -182.9 MSEK (-140.5). The total number of employees at the end of the period was 506 (444).

Depreciation and amortisation increased 5.8 percent to -104.0 MSEK (-98.4). PPA-related depreciation (Purchase Price Allocation) increased by 6.7 MSEK.

### Adjusted operating profit, EBITDA

Adjusted operating profit before depreciation, amortisation and impairment of intangible assets and property, plant and equipment (EBITDA) during the period amounted to 155.8 MSEK (114.4), corresponding to an adjusted EBITDA margin of 11.2 percent (9.3). Adjusted EBITDA was adjusted for restructuring, inventory movement and acquisition-related non-recurring items of -7.8 MSEK (0.0).

### Segment

Adjusted EBITDA for the Games segment amounted to 122.5 MSEK (99.9) for the quarter, corresponding to an adjusted EBITDA margin of 41.5 percent (39.2). Adjusted EBITDA was adjusted for restructuring-related non-recurring items of -2.3 MSEK (0.0).

Adjusted EBITDA for the Distribution segment totalled 46.5 MSEK (22.4) for the period, corresponding to an adjusted EBITDA margin of 4.3 percent (2.3). Adjusted EBITDA was adjusted for inventory movement-related non-recurring items of -2.7 MSEK (0.0).

### Adjusted operating profit, EBITA

Adjusted operating profit before acquisition-related depreciation and amortisation (EBITA) amounted to 102.6 MSEK (60.2) for the period, corresponding to an adjusted EBITA margin of 7.4 percent (4.9). Adjusted EBITA was adjusted for restructuring, inventory movement and acquisition-related non-recurring items of -7.8 MSEK (0.0).

### Segment

Adjusted EBITA for the Games segment amounted to 81.7 MSEK (55.6) for the period, corresponding to an adjusted EBITA margin of 27.7 percent (21.8). Adjusted EBITA was adjusted for restructuring-related non-recurring items of -2.3 MSEK (0.0).

Adjusted EBITA for the Distribution segment totalled 34.2 MSEK (12.6) for the period, corresponding to an adjusted EBITA margin of 3.1 percent (1.3). Adjusted EBITA was adjusted for inventory movement-related non-recurring items of -2.7 MSEK (0.0).



### Operating profit, EBIT

Operating profit during the period amounted to 44.0 MSEK (16.1), corresponding to an operating margin of 3.2 percent (1.3). Operating profit includes -7.8 MSEK (0.0) of restructuring, inventory movement and acquisition-related non-recurring items.

### Segment

Operating profit in the Games segment amounted to 47.2 MSEK (30.0) for the period, corresponding to an operating margin of 16.0 percent (11.8). Operating profit includes -2.3 MSEK (0.0) of restructuring-related non-recurring items.

Operating profit in the Distribution segment amounted to 12.9 MSEK (-6.0) for the period, corresponding to an operating margin of 1.2 percent (-0.6). Operating profit includes -2.7 MSEK (0.0) of inventory movement-related non-recurring items.

### Financial net

Financial net amounted to -79.5 MSEK (-30.4). Of the total financial net, -69.4 MSEK (-24.7) comprised the net of exchange gains and exchange losses, -12.7 MSEK (-4.3) of the net from interest cost and interest income and 2.5 MSEK (-1.4) of the net from the revaluation of earn-outs.

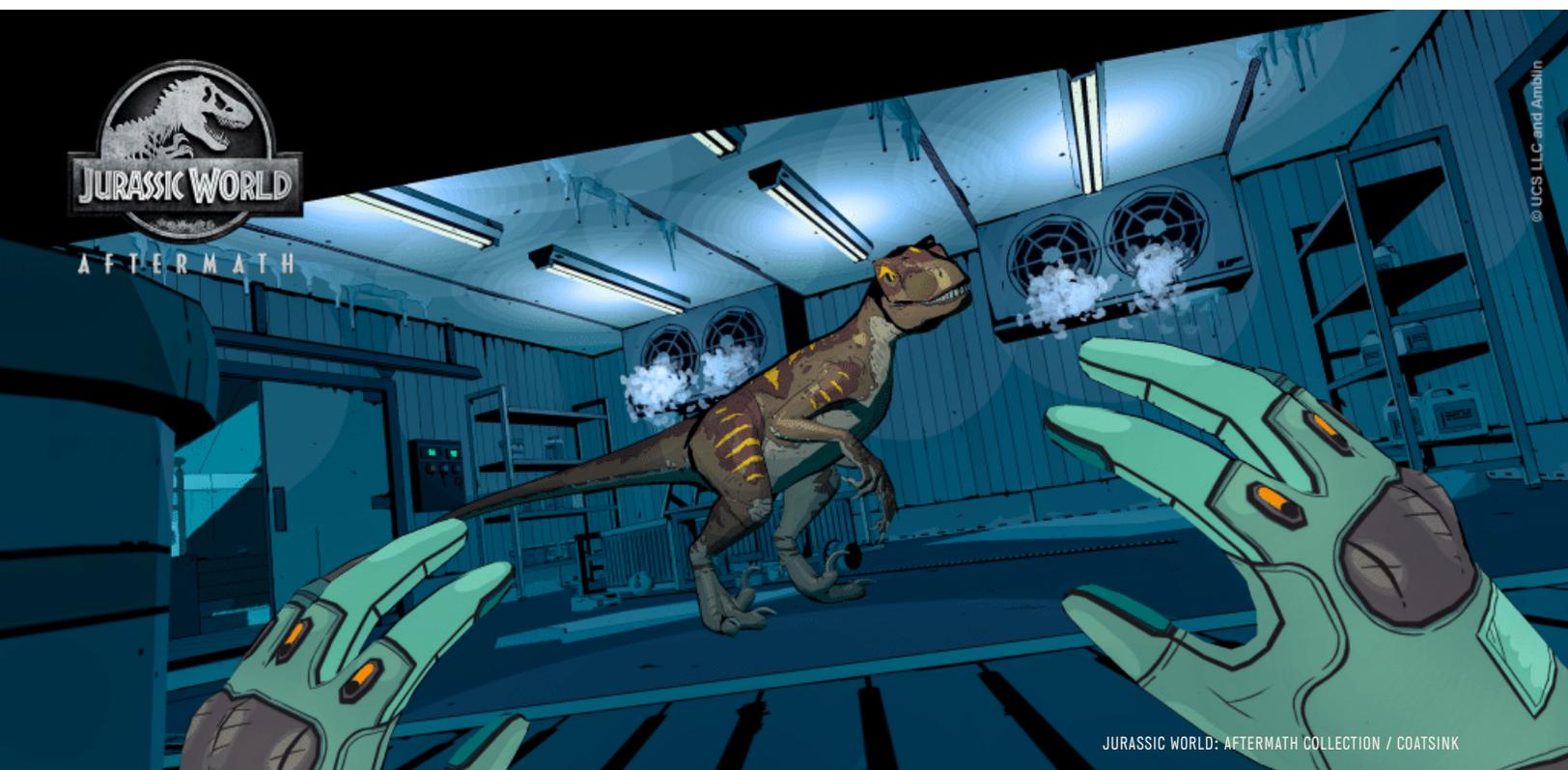
Net exchange gains and exchange losses includes effects of -41.9 MSEK from unrealised exchange effects.

### Profit for the period

Profit for the period amounted to -47.0 MSEK (-20.7), corresponding to a net profit margin of -3.4 percent (-1.7).

### Other comprehensive income

Other comprehensive income during the period was impacted by currency translation differences in foreign operations and totalled 149.8 MSEK (42.4).





# Financial position

## Financial position and liquidity

The Group's total assets on 30 June 2023 amounted to 3,811.4 MSEK, compared with 3,343.8 MSEK on 30 June 2022.

Core working capital on 30 June 2023 amounted to 701.1 MSEK, compared with 929.5 MSEK on 30 June 2022.

The Group's equity on 30 June 2023 totalled 2,085.5 MSEK, compared with 1,824.6 MSEK on 30 June 2022.

Thunderful Group has a confirmed credit facility of 55 MEUR with Danske Bank. On the balance-sheet date, 30 June 2023, Thunderful Group had utilised 415.6 MSEK of this facility and cash and cash equivalents amounted to 50.2 MSEK.

Including the unutilised portion of the confirmed credit facility, cash and cash equivalents as of 30 June 2023 amounted to 283.2 MSEK, compared with 335.2 MSEK on 30 June 2022.

## Seasonal variations

Thunderful Group has a seasonal distribution business that is characterised by higher sales in connection with major commercial holidays. A significant part of the full year sales and profit has historically been generated during the fourth quarter, which also means that operating expenses in relation to sales are generally higher during the first to third quarter.

## Cash flow and investments

Cash flow from operating activities during the quarter amounted to -29.5 MSEK (-40.1) and during the period to 34.9 MSEK (162.6).

Various investments, noted below, were made during the quarter and period:

MSEK	2023 Q2	2022 Q2	2023 Jan-Jun	2022 Jan-Jun	Full-year 2022
Internal game development capex	69.1	42.7	116.1	77.5	143.3
Publishing licences capex	17.8	13.3	39.6	26.1	69.7
Game projects capex	-27.1	4.6	4.1	4.6	9.1
Acquisition capex	2.0	0.0	23.8	0.0	70.2
Other capex	2.0	0.9	2.8	6.9	9.4
<b>Total investments</b>	<b>63.8</b>	<b>61.5</b>	<b>187.4</b>	<b>115.1</b>	<b>301.7</b>

During the second quarter, an external game developer, repaid 31.9 MSEK related to a game project in which Thunderful invested 31.2 MSEK in the first quarter.

Cash flow after investing activities for the quarter amounted to -93.3 MSEK (-101.6) and during the period to -152.5 MSEK (47.5).

## Parent Company

Net revenue in the Parent Company during the period amounted to 5.6 MSEK (2.7), operating result to -16.4 MSEK (-11.7) and profit for the period to -38.0 MSEK (75.6).

The Parent Company's revenue comprises intra-group services.



LEGO BRICKTALES / CLOCKSTONE STUDIO



# Operational overview by segment

## Thunderful Games

Thunderful Games' operations are divided into four clear revenue streams:

- **IP Building** includes development and publishing of internally developed games with own IP:s and publishing of externally developed games with licensed IP:s. The revenue stream is dependent on a high rate of investment and can generate high profitability levels when published games reach commercial success.
- **Co-Development** includes game development within Thunderful Studios on behalf of external licensees. The revenue stream contributes with predictable revenues with stable and high margins and with revenue shares from developed games. There is no need for investments.
- **Partners** includes service and support for third-party game developers who self-publish games. The revenue stream contributes with predictable revenues with stable and high margins and with revenue shares from games that partners self-publish. There is no need for investments.
- **Investments** includes investments ranging from early prototype phase in game development projects to acquisitions of larger companies. The project investment revenue stream is dependent on a certain rate of investments and contributes with variable revenue shares from games in which Thunderful has invested.

The collaborations between the companies within Thunderful Games have resulted in several games projects and clients that generate parallel revenues in multiple revenue streams.

## Comments on events during the quarter

No significant events during the quarter.

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## Thunderful Distribution

Thunderful Distribution, with operations in distribution and sale of, among other items, Nintendo products, games, game accessories and toys. The segment includes the distributors Bergsala, Amo Toys and Nordic Game Supply. Bergsala has been distributing Nintendo's products in Sweden since 1981. Amo Toys and Nordic Game Supply are Nordic distributors of toys, games, game accessories and merchandise. Brands distributed by Amo Toys and Nordic Game Supply include Rockstar, 2K Games, Razer, Thrustmaster, PowerA, Hori, L.O.L., Baby-Born, Little Tikes, GeoMag and Intex.

## Comments on events during the quarter

No significant events during the quarter.



# Games released during and after the second quarter of 2023

During the second quarter of 2023, the Group released five games. Two of these were from the Group’s internal studios. After the end of the quarter but before the publication of this report, one more game was released by an external studio through the Group’s publishing activities from the Group’s internal studios.

Releases in the second quarter contributed 42,3 MSEK in net revenue. This pertained only to the platforms and versions of the respective games released in the quarter. The Group has 14 ongoing internal game-development projects and 12 ongoing game-development projects that are being developed by third parties and which are intended to be published by one of the Group’s publishing companies. An overview of these 26 game-development projects is available on page 11.

## Games released during the second quarter of 2023

Game description				Platforms			
Titel	Lansering	Publisher	Studio	PC	Console	Mobile	VR
Super Meat Boy Forever	2023-04-20	Headup	External	○	○	●	○
LEGO Bricktales	2023-04-27	Thunderful	External	○	○	●	○
Planet of Lana	2023-05-23	Thunderful	External	●	●	○	○
Dr Fetus Mean Meat Machine	2023-06-22	Headup	Internal	●	●	○	○
Tinkertown	2023-06-22	Headup	Internal	●	○	○	○

## Games released after the quarter but before the publication of this interim report

Game description				Platforms			
Titel	Lansering	Publisher	Studio	PC	Console	Mobile	VR
Viewfinder	2023-07-18	Thunderful	External	●	●	○	○

● Released ○ Yet to be released





## Announced releases of **internally** developed games

Game description			Platforms			
Title	Lansering	Publisher	PC	Console	Mobile	VR
Astronimo	2023, 2H	Coatsink	●	○	○	○
SteamWorld Build	2023, 2H	Thunderful	●	●	○	○
Islanders	2023, 2H	Coatsink	●	●	○	●
“Spear”	2023, 2H	Early Morning Studio	○	○	●	○
“Strawberry (a SteamWorld IP Game)”	2024	Thunderful	○	○	●	○
“Kokidon”	2024	Thunderful	●	○	○	○
“Date”	2024	Coatsink	○	○	○	●
Vendir: Plague of Lies	2024	Early Morning Studio	●	●	●	○
SteamWorld Headhunter	2024	Thunderful	●	●	○	○
“Caramel (a SteamWorld IP Game)”	2024	Thunderful	●	●	●	○
“Lemon”	2024	To The Sky	●	●	○	○
“Vanilla”	2024	Thunderful	●	●	○	○
“Axe”	2024	Early Morning Studio	○	○	●	○
“Mango”	2024	Thunderful	●	●	○	○

## Announced releases of **externally** developed games

Game description		Platforms			
Title	Release	PC	Console	Mobile	VR
Worldless	2023, 2H	●	●	○	○
“Raspberry”	2023, 2H	●	●	○	○
Laika: Aged Through Blood	2023, 2H	●	●	○	○
“Rum & Raisin”	2023, 2H	●	●	○	○
“Lime”	2023, 2H	●	○	○	○
“Lychee”	2023, 2H	○	○	○	●
“Cinnamon”	2024	○	○	○	●
“Cashew”	2024	●	●	○	○
Replaced	2024	●	●	○	○
“Peach”	2024	●	●	○	○
“Maple”	2024	●	●	○	○
“Snowflake”	2024	●	●	○	○

“Non-advertised game name” ● Released ● Under development ○ N/A



## Other information

### Organisation

As of 30 June 2023, the number of full-time employees was 506 (444), of whom 130 (104) women and 376 (340) men.

### Related party transactions

Anders Maiqvist became acting CEO of Thunderful Group on 10 August 2022. Through companies and together with related parties of his, Anders Maiqvist owns 50 percent of the shares in Wester Maiqvist AB. In June 2022, Thunderful Group entered into a consultancy agreement with Wester Maiqvist AB regarding warehouse and logistics optimisation. During 2023, Wester Maiqvist AB invoiced Thunderful Group approximately 2.5 MSEK for services provided. The consultancy agreement was terminated during the first quarter of 2023.

### Risks and uncertainties

Thunderful Group is exposed to risks, particularly the dependence on key individuals, the dependence on successful game development, the sales performance of released games, the dependence on a few distributors, and the success and performance of acquisitions. The complete risk analysis is found on pages 50–55 and pages 71–72 of the Group's 2022 Annual Report, published on the company's website. The Annual Report is published on the company's website.

### Accounting policies

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. For the Parent Company, the Swedish Financial Reporting Board's Recommendation RFR 2 Financial Reporting for Legal Entities has been applied in the preparation of this interim report. The accounting policies and basis of calculation correspond to the policies applied in the company's most recent annual report.

The Group applies the following amortisation principles for its game development and publishing projects:

Amortisation of finished game-development projects and launched publishing projects – degressive amortisation over two years; 1/3 amortisation during months 1 to 3 following release, 1/3 amortisation in months 4 to 12 following release and the remaining 1/3 in months 13 to 24 following release.

For further information on the Group's accounting policies, refer to the 2022 Annual Report, which is published on the company's website.

### Dividend

Thunderful Group strives to invest its profit and cash flows in organic growth initiatives and acquisitions to support value creation, and therefore does not intend to pay annual dividends in the medium term.

### Events during the quarter

- The Board of Directors decided to appoint Martin Walfisz as new CEO. Martin, who takes office on 28 August 2023, succeeds Anders Maiqvist, Acting CEO since 10 August 2022.
- Lennart Sparud announced that he has chosen to end his employment as CFO for new challenges outside the company. The recruitment process for a new CFO began immediately.

### Events after the end of the period

No significant events after the end of the quarter.

### Auditors' review

This report has not been subject to review by the Group's auditors.



## The share

Name	Shares	Shares of capital and votes, %
Bergsala Holding AB	17,913,693	25.5%
Brjann Sigurgeirsson (privately and through companies)	4,375,000	6.2%
Lyngeled Holding AB	4,275,000	6.1%
RAM Rational Asset Management	3,144,575	4.5%
Alcur Fonder	2,243,955	3.2%
ÖstVäst Capital Management	2,200,000	3.1%
Knutsson Holdings AB	2,080,293	3.0%
Provobis Holding AB	1,750,000	2.5%
Nordnet Pensionsförsäkring	1,734,258	2.5%
Lancelot Asset Management AB	1,650,000	2.3%
<b>TOTAL TOP 10</b>	<b>41,366,774</b>	<b>58.9%</b>
Other	28,923,823	41.1%
<b>TOTAL</b>	<b>70,290,597</b>	<b>100.0%</b>

Financial statements and other financial and general information are published on the Group's website [www.thunderfulgroup.com](http://www.thunderfulgroup.com)

**CFO Lennart Sparud**  
is responsible for IR issues  
+46 705 58 66 04  
[lennart@thunderfulgroup.com](mailto:lennart@thunderfulgroup.com)



As of 30 June 2023, Thunderful Group AB's share capital amounted 702,905.97 SEK distributed across 70,290,597 shares with a quotient value of 0.01 SEK per share. Thunderful Group has been listed since December 2020 on Nasdaq Stockholm and the company's share is traded on First North Premier Growth Market (THUNDR). On the balance-sheet date of 30 June 2023, Thunderful Group's market capitalisation was around 1,071.2 MSEK.

### Certified adviser

**FNCA Sweden AB**  
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### Analysts who follow Thunderful Group

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## Signatures and assurance

The Board of Directors and the Acting CEO offer their assurance that this interim report gives a true and fair view of the Group's and Parent Company's operations, financial position and results of operations and describes the significant risks and uncertainties facing the Group and the Parent Company.

**Gothenburg, 21 August 2023**

**Patrick Svensk**  
Chairman of the Board

**Tomas Franzén**  
Board member

**Owe Bergsten**  
Board member

**Mats Lönnqvist**  
Board member

**Martin Walfisz**  
Board member

**Sara Jansson Bach**  
Board member

**Anders Maiqvist**  
Acting CEO

This information is of a nature that Thunderful Group AB is obligated to publish under the EU's Market Abuse Regulation. It was submitted for publication through the agency of the contact persons set out below at 7:30 a.m. CEST on 21 August 2023.

**For more information, please contact:**

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**Lennart Sparud**, CFO, Thunderful Group  
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lennart@thunderfulgroup.com



# Group income statement

MSEK	2023 Q2	2022 Q2 <sup>1)</sup>	2023 Jan-Jun	2022 Jan-Jun <sup>1)</sup>	2022/23 R12M	2022 Full-year
Net revenue	715.3	580.7	1,270.7	1,126.7	3,174.6	3,030.7
Capitalised work on own account	39.8	24.5	79.5	50.3	128.8	99.6
Other operating income	21.4	13.5	37.5	48.7	74.4	85.6
<b>Operating income</b>	<b>776.5</b>	<b>618.7</b>	<b>1,387.7</b>	<b>1,225.7</b>	<b>3,377.8</b>	<b>3,215.8</b>
<b>Operating expenses</b>						
Goods for resale (Distribution)	-486.8	-372.1	-839.9	-735.5	-2,172.7	-2,061.3
Purchased games-development services and royalties (Games)	-5.6	-13.8	-18.0	-30.5	-32.4	-51.9
Other external expenses	-83.0	-81.0	-167.3	-170.2	-382.4	-385.2
Personnel expenses	-98.5	-70.0	-182.9	-140.5	-335.8	-293.4
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	-56.1	-59.9	-104.0	-98.4	-179.8	-174.1
Other operating expenses	-21.7	-11.9	-31.5	-34.5	-50.7	-53.7
<b>Total operating expenses</b>	<b>-751.7</b>	<b>-608.7</b>	<b>-1,343.7</b>	<b>-1,209.6</b>	<b>-3,153.9</b>	<b>-3,019.7</b>
<b>Operating profit</b>	<b>24.8</b>	<b>10.0</b>	<b>44.0</b>	<b>16.1</b>	<b>224.0</b>	<b>196.1</b>
<b>Total financial items</b>	<b>-82.6</b>	<b>-23.2</b>	<b>-79.5</b>	<b>-30.4</b>	<b>-86.8</b>	<b>-37.7</b>
<b>Profit/loss after financial items</b>	<b>-57.8</b>	<b>-13.2</b>	<b>-35.6</b>	<b>-14.4</b>	<b>137.1</b>	<b>158.3</b>
Tax on profit for the period	-2.6	-8.6	-11.4	-6.3	-42.2	-37.2
<b>Net profit/loss for the period</b>	<b>-60.4</b>	<b>-21.8</b>	<b>-47.0</b>	<b>-20.7</b>	<b>94.9</b>	<b>121.2</b>
<b>Other comprehensive income</b>						
Currency translation difference in foreign operations	110.3	38.1	149.8	42.4	166.0	58.6
<b>Comprehensive income for the period</b>	<b>49.9</b>	<b>16.3</b>	<b>102.8</b>	<b>21.7</b>	<b>260.9</b>	<b>179.8</b>
<b>Net profit for the period attributable to:</b>						
Shareholders of the Parent Company	-60.4	-21.8	-47.0	-20.7	94.9	121.2
Earnings per share before dilution, SEK	-0.86	-0.31	-0.67	-0.29	1.35	1.72
Earnings per share after dilution, SEK	-0.86	-0.31	-0.67	-0.29	1.35	1.72
<b>Comprehensive income for the period attributable to:</b>						
Shareholders of the Parent Company	49.9	16.3	102.8	21.7	260.9	179.8
Average number of shares	70,290,597	70,250,911	70,290,597	70,362,561	70,290,597	70,261,677

1) The accounting principle for revaluation of financial debt related to earn-out has been changed in Q4 2022. These revaluations, which earlier were accounted for as other operating income/other operating expenses are now classified as financial income/financial cost in the income statement. Other operating income in Jan-Jun 2022 has been reduced by 2.7 MSEK and other operating expenses has been reduced by 4.1 MSEK. Other operating income has not been changed in Q2 2022 while other operating expenses has been reduced by 0.6 MSEK. Corresponding adjustments has been done in total financial items.



# Group balance sheet

MSEK	2023-06-30	2022-06-30	2022-12-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
<i>Intangible assets</i>			
IT systems	3.1	4.4	4.0
Capitalised development expenditure, games	349.6	173.1	231.7
Publishing licences	135.1	74.1	110.9
Investments in game projects	15.9	4.6	9.1
Publishing and distribution relationships	241.5	278.7	260.1
Goodwill	1,038.0	742.7	928.3
Game rights	330.9	283.7	331.4
Customer relationships	105.7	113.2	105.7
Other intangible assets	25.3	24.1	23.8
	<b>2,245.1</b>	<b>1,698.7</b>	<b>2,004.9</b>
<i>Property, plant and equipment</i>			
Right-of-use assets	138.5	142.9	133.7
Buildings and land	1.4	0.7	0.5
Equipment, tools, fixtures and fittings	17.2	17.4	17.5
	<b>157.0</b>	<b>161.0</b>	<b>151.6</b>
<i>Financial assets</i>			
Other securities held as non-current assets	0.2	0.2	0.2
Deferred tax assets	0.6	1.7	1.3
Other non-current receivables	7.4	7.1	7.4
	<b>8.2</b>	<b>9.0</b>	<b>8.9</b>
<b>Total fixed assets</b>	<b>2,410.3</b>	<b>1,868.6</b>	<b>2,165.3</b>
<b>Current assets</b>			
<i>Inventories, etc.</i>			
Finished goods and goods for resale	669.0	840.4	600.3
Advance payments to suppliers	59.9	88.2	49.6
	<b>728.9</b>	<b>928.6</b>	<b>649.9</b>
<i>Current receivables</i>			
Accounts receivable	474.3	376.0	654.6
Current tax assets	22.8	16.3	19.3
Other receivables	8.5	5.9	9.0
Prepayments and accrued income	116.4	70.2	113.8
	<b>621.9</b>	<b>468.4</b>	<b>796.8</b>
Cash and cash equivalents	50.2	78.2	56.6
<b>Total current assets</b>	<b>1,401.1</b>	<b>1,495.7</b>	<b>1,503.3</b>
<b>TOTAL ASSETS</b>	<b>3,811.4</b>	<b>3,343.8</b>	<b>3,668.6</b>



## Group balance sheet, continued

MSEK	2023-06-30	2022-06-30	2022-12-31
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	0.7	0.7	0.7
Other capital contributions	1,274.8	1,274.8	1,274.8
Other equity, including net profit for the year	810.0	549.1	707.2
	<b>2,085.5</b>	<b>1,824.6</b>	<b>1,982.7</b>
<b>Provisions</b>			
Provisions for pensions and similar obligations	0.2	0.2	0.2
Deferred tax liabilities	163.1	155.4	151.3
Other provisions	1.7	2.0	1.7
	<b>164.9</b>	<b>157.6</b>	<b>153.2</b>
<b>Non-current liabilities</b>			
Non-current earn-out considerations	242.7	222.8	286.9
Non-current lease liabilities	107.3	114.3	105.0
	<b>350.0</b>	<b>337.0</b>	<b>391.9</b>
<b>Current liabilities</b>			
Overdraft facility	2.8	10.0	63.6
Liabilities to credit institutions	412.8	320.4	111.3
Advance payments from customers	4.4	0.0	0.0
Accounts payable	502.1	375.0	598.7
Current tax liabilities	31.3	42.0	35.7
Other liabilities	61.1	52.7	85.8
Current earn-out considerations	101.1	134.6	140.2
Current lease liabilities	28.2	25.6	26.4
Accrued expenses and deferred income	67.2	64.2	79.2
	<b>1,211.0</b>	<b>1,024.5</b>	<b>1,140.9</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,811.4</b>	<b>3,343.8</b>	<b>3,668.6</b>



# Group statement of changes in equity

MSEK	Share capital	Other capital contributions	Other equity, incl. net profit for the period	Total equity
<b>Opening balance, 1 January 2023</b>	<b>0.7</b>	<b>1,274.8</b>	<b>707.2</b>	<b>1,982.7</b>
Total comprehensive income for the period	0.0	0.0	102.8	102.8
<b>Closing balance, 30 June 2023</b>	<b>0.7</b>	<b>1,274.8</b>	<b>910.0</b>	<b>2,085.5</b>
<b>Opening balance, 1 January 2022</b>	<b>0.7</b>	<b>1,271.8</b>	<b>527.4</b>	<b>1,799.9</b>
New issues of shares, acquisition Headup GmbH	0.0	3.0	0.0	3.0
<b>Transactions with owners</b>	<b>0.0</b>	<b>3.0</b>	<b>0.0</b>	<b>3.0</b>
Total comprehensive income for the period	0.0	0.0	21.7	21.7
<b>Closing balance, 30 June 2022</b>	<b>0.7</b>	<b>1,274.8</b>	<b>549.1</b>	<b>1,824.6</b>
<b>Opening balance, 1 January 2022</b>	<b>0.7</b>	<b>1,271.8</b>	<b>527.4</b>	<b>1,799.9</b>
New issues of shares, acquisition Headup GmbH	0.0	3.0	0.0	3.0
<b>Transactions with owners</b>	<b>0.0</b>	<b>3.0</b>	<b>0.0</b>	<b>3.0</b>
Total comprehensive income for the period	0.0	0.3	179.8	179.8
<b>Closing balance, 31 December 2022</b>	<b>0.7</b>	<b>1,274.8</b>	<b>707.2</b>	<b>1,982.7</b>





# Group cash flow statement

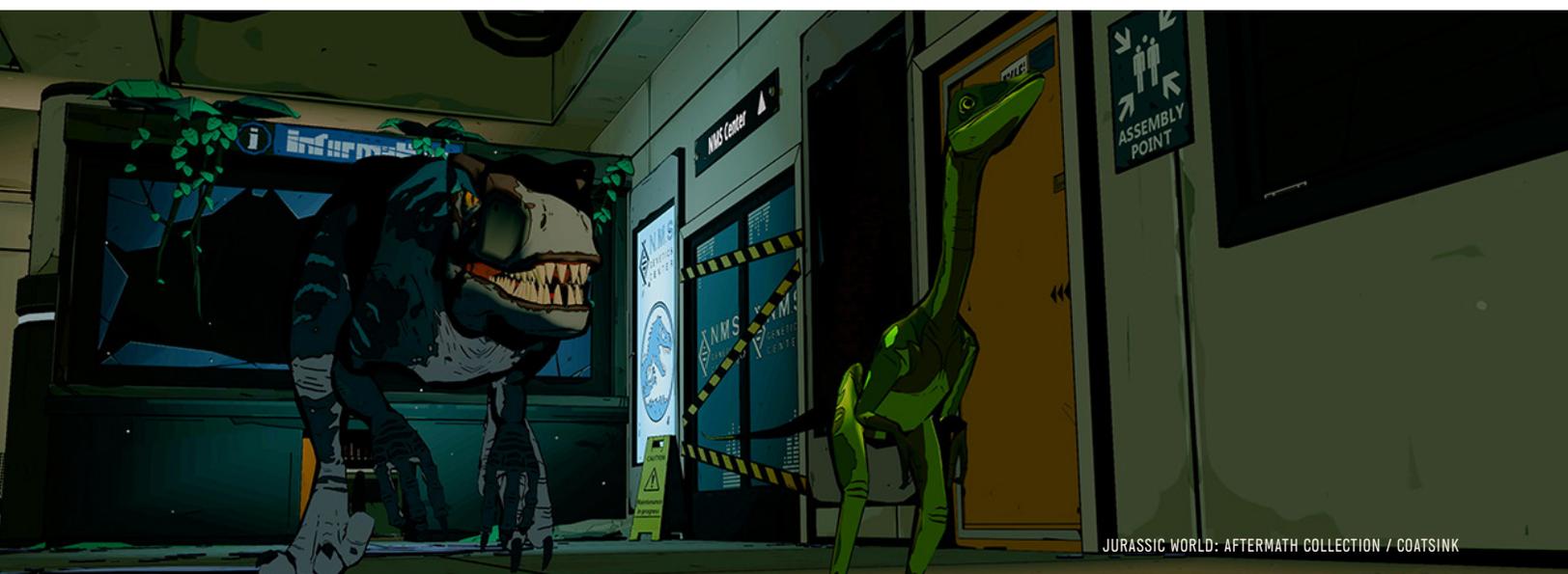
MSEK	2023 Q2	2022 Q2	2023 Jan-Jun	2022 Jan-Jun	2022/23 R12M	2022 Full-year
<b>Operating activities</b>						
Profit after financial items	-57.8	-13.2	-35.6	-14.4	137.1	158.3
Adjustment for non-cash items						
- Depreciation, amortisation and impairment	56.2	59.9	104.1	98.4	179.7	174.0
- Translation differences	21.1	0.6	26.2	2.1	3.7	-20.4
- Revaluation of earn-out debts	17.0	0.0	-2.5	0.0	-27.9	-25.4
- Other adjustments	0.0	0.0	0.0	0.0	-0.4	-25.8
	<b>36.5</b>	<b>47.3</b>	<b>92.2</b>	<b>86.1</b>	<b>292.2</b>	<b>286.1</b>
Income tax paid	-2.7	-3.3	-28.0	-29.6	-80.3	-81.9
<b>Cash flow from operating activities before changes in working capital</b>	<b>33.8</b>	<b>44.0</b>	<b>64.2</b>	<b>56.5</b>	<b>211.9</b>	<b>204.2</b>
<b>Changes in working capital</b>						
Change in inventories and advance payments to suppliers	-56.3	-100.0	-79.0	164.6	199.7	114.1
Change in accounts receivable	-160.4	-53.8	180.3	490.6	-98.3	212.0
Change in accounts payable	159.1	100.0	-96.6	-213.6	127.1	10.1
Change in other working capital	-5.6	-30.3	-34.0	-6.3	-70.6	-42.9
<b>Cash flow from operating activities</b>	<b>-29.5</b>	<b>-40.1</b>	<b>34.9</b>	<b>162.6</b>	<b>369.8</b>	<b>497.5</b>
<b>Investing activities</b>						
Acquisition of subsidiaries/business	-2.0	0.0	-23.8	0.0	-94.0	-70.2
Investment in property, plant and equipment	-1.6	0.0	-3.2	-5.5	-5.0	-7.3
Investment in capitalised game development expenditure	-69.1	-42.7	-116.1	-77.5	-181.9	-143.3
Investment in game projects	-4.8	-4.6	-36.0	-4.6	-40.5	-9.1
Investment in publishing rights	-17.8	-13.3	-39.6	-26.1	-83.2	-69.7
Investment in other intangible assets	-0.4	-0.9	-0.6	-1.3	-0.9	-1.6
Investment in financial assets	0.0	0.0	0.0	-0.1	-0.4	-0.5
Sale of fixed assets	31.9	0.0	31.9	0.0	31.9	0.0
<b>Cash flow from investing activities</b>	<b>63.8</b>	<b>-61.5</b>	<b>-187.4</b>	<b>-115.1</b>	<b>-374.0</b>	<b>-301.7</b>
<b>Financing activities</b>						
Change in overdraft facility	-21.7	10.0	-60.7	-260.4	-7.2	-206.8
Borrowings from credit institutions	74.5	-10.4	301.4	320.4	92.4	111.3
Repayment of lease liabilities	-7.5	-6.1	-15.8	-11.7	-28.2	-24.1
Repayment of earn-out liabilities	-10.1	-3.5	-120.6	-100.9	-134.2	-114.5
New issues of shares	0.0	0.0	0.0	0.0	0.0	0.0
Dividend paid	0.0	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>35.2</b>	<b>-10.0</b>	<b>104.3</b>	<b>-52.6</b>	<b>-77.2</b>	<b>-234.1</b>
<b>Cash flow for the period</b>	<b>-58.0</b>	<b>-111.6</b>	<b>-48.2</b>	<b>-5.1</b>	<b>-81.4</b>	<b>-38.3</b>
Cash and cash equivalents at the beginning of the period	72.0	172.5	56.6	60.2	78.2	60.2
Exchange-rate differences in cash and cash equivalents	36.3	17.3	41.9	23.1	53.7	34.7
Cash and cash equivalents at the end of the period	50.2	78.2	50.2	78.2	50.2	56.6



# Parent Company income statement

MSEK	2023 Jan-Jun	2022 Jan-Jun <sup>1)</sup>
Net revenue	5.6	2.7
Other operating income	0.1	0.1
<b>Operating income</b>	<b>5.8</b>	<b>2.8</b>
<b>Operating expenses</b>		
Other external expenses	-12.7	-12.3
Personnel expenses	-9.4	-6.2
Other operating expenses	0.0	4.1
<b>Total operating expenses</b>	<b>-22.2</b>	<b>-14.5</b>
<b>Operating profit</b>	<b>-16.4</b>	<b>-11.7</b>
<b>Total financial items</b>	<b>-38.0</b>	<b>75.6</b>
<b>Profit after financial items</b>	<b>-54.3</b>	<b>63.9</b>
Tax on profit for the period	0.0	0.1
<b>Net profit/loss for the period and comprehensive income for the period</b>	<b>-54.3</b>	<b>64.0</b>

1) The accounting principle for revaluation of financial debt related to earn-out has been changed in Q4 2022. These revaluations, which earlier were accounted for as other operating income/other operating expenses are now classified as financial income/financial cost in the income statement. Other operating income in 2022 has been reduced by 2.7 MSEK and other operating expenses has been reduced by 4.1 MSEK. Corresponding adjustments has been done in total financial items.





# Parent Company balance sheet

MSEK	2023-06-30	2022-06-30	2022-12-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
<i>Financial assets</i>			
Shares in Group companies	2,397.6	2,178.7	2,397.2
<b>Total fixed assets</b>	<b>2,397.6</b>	<b>2,178.7</b>	<b>2,397.2</b>
<b>Current assets</b>			
Receivables from Group companies	353.9	633.8	884.3
Current tax assets	5.4	12.3	3.5
Other receivables	0.3	0.4	0.8
Prepayments and accrued income	2.0	2.1	1.4
<b>Total current assets</b>	<b>316.7</b>	<b>648.6</b>	<b>890.0</b>
Cash and bank balances	0.0	0.0	0.0
<b>TOTAL ASSETS</b>	<b>2,759.3</b>	<b>2,827.3</b>	<b>3,287.2</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital	0.7	0.7	0.7
	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>
<i>Unrestricted equity</i>			
Retained earnings	99.9	65.4	78.7
Share premium reserve	1,970.6	1,982.8	1,969.5
Net profit for the year	-54.3	64.0	21.2
<b>Total unrestricted equity</b>	<b>2,016.1</b>	<b>2,112.2</b>	<b>2,069.4</b>
<b>Total equity</b>	<b>2,016.8</b>	<b>2,112.9</b>	<b>2,070.1</b>
<b>Untaxed reserves</b>			
Tax allocation reserves	0.0	27.5	0.0
<b>Total untaxed reserves</b>	<b>0.0</b>	<b>27.5</b>	<b>0.0</b>
<b>Provisions</b>			
Deferred tax	0.0	0.0	0.0
<b>Total provisions</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Non-current liabilities</b>			
Non-current earn-out considerations	233.0	221.1	285.3
<b>Total non-current liabilities</b>	<b>233.0</b>	<b>221.1</b>	<b>285.3</b>
<b>Current liabilities</b>			
Overdraft facility	2.8	10.0	63.6
Liabilities to credit institutions	412.7	320.4	111.3
Liabilities to Group companies	0.0	0.0	605.4
Accounts payable	1.1	2.2	4.6
Other liabilities	2.2	0.6	3.1
Current earn-out considerations	88.6	131.4	136.8
Accrued liabilities	1.9	1.3	7.1
<b>Total current liabilities</b>	<b>509.5</b>	<b>465.8</b>	<b>931.8</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,759.3</b>	<b>2,827.3</b>	<b>3,287.2</b>



# Segment reporting

Thunderful Group monitors net revenue, adjusted EBITDA, adjusted EBITA and operating profit (EBIT) per segment.

MSEK	2023 Q2	2022 Q2	2023 Jan-Jun	2022 Jan-Jun	2022/23 R12M	2022 Full-year
<b>Net revenue</b>						
Thunderful Games	107.1	114.9	214.1	197.2	531.3	514.4
Thunderful Distribution	608.2	465.8	1,056.6	929.5	2,643.3	2,516.2
- of which, Bergsala	409.2	222.7	614.3	406.2	1,501.2	1,293.2
- of which, Nordic Game Supply	97.7	138.8	227.5	302.9	623.6	699.1
- of which, Amo Toys	101.4	104.4	214.8	220.4	518.4	524.0
<b>Net revenue</b>	<b>715.3</b>	<b>580.7</b>	<b>1,270.7</b>	<b>1,126.7</b>	<b>3,174.6</b>	<b>3,030.7</b>
<b>Adjusted EBITDA</b>						
Thunderful Games	64.7	67.1	122.5	99.9	323.8	301.3
Thunderful Distribution	27.3	7.8	46.5	22.4	122.0	97.9
- of which, Bergsala	34.5	12.1	44.4	20.8	122.9	99.3
- of which, Nordic Game Supply	-5.3	2.6	-5.0	3.4	-10.5	-2.1
- of which, Amo Toys	-1.9	-6.9	7.1	-1.8	9.6	0.7
Other	-8.8	-5.0	-13.2	-7.8	-28.8	-23.5
<b>Adjusted EBITDA</b>	<b>83.2</b>	<b>69.9</b>	<b>155.8</b>	<b>114.4</b>	<b>417.0</b>	<b>375.6</b>
Adjusted non-recurring items (Games segment)	-2.3	0.0	-2.3	0.0	-2.3	0.0
Adjusted non-recurring items (Distribution segment)	0.0	0.0	-2.7	0.0	-2.7	0.0
Adjusted non-recurring items (Other segment)	0.0	0.0	-2.8	0.0	-8.3	-5.5
<b>EBITDA</b>	<b>80.9</b>	<b>69.9</b>	<b>148.0</b>	<b>114.4</b>	<b>403.7</b>	<b>370.1</b>
Adjusted EBITDA margin - Thunderful Games, %	43.8%	46.7%	41.5%	39.2%	49.0%	48.5%
Adjusted EBITDA margin - Thunderful Distribution, %	4.3%	1.6%	4.3%	2.3%	4.5%	3.8%
Adjusted EBITDA margin - Thunderful Group, %	10.7%	11.3%	11.2%	9.3%	12.3%	11.7%
<b>Adjusted EBITA</b>						
Thunderful Games	37.7	34.6	81.7	55.6	165.8	231.3
Thunderful Distribution	21.3	2.5	34.2	12.6	198.2	77.2
Other	-8.9	-5.0	-13.3	-8.0	-22.9	-23.7
<b>Adjusted EBITA</b>	<b>50.1</b>	<b>32.1</b>	<b>102.6</b>	<b>60.2</b>	<b>341.1</b>	<b>284.8</b>
Adjusted non-recurring items (Games segment)	-2.3	0.0	-2.3	0.0	-2.3	0.0
Adjusted non-recurring items (Distribution segment)	0.0	0.0	-2.7	0.0	-2.7	0.0
Adjusted non-recurring items (Other segment)	0.0	0.0	-2.8	0.0	-8.3	-5.5
<b>EBITA</b>	<b>47.8</b>	<b>32.1</b>	<b>94.8</b>	<b>60.2</b>	<b>327.9</b>	<b>279.3</b>
Adjusted EBITA margin - Thunderful Games, %	25.5%	24.1%	27.7%	21.8%	25.1%	37.3%
Adjusted EBITA margin - Thunderful Distribution, %	3.4%	0.5%	3.1%	1.3%	7.3%	3.0%
Adjusted EBITA margin - Thunderful Group, %	6.5%	5.2%	7.4%	4.9%	10.1%	8.9%
<b>Operating profit (EBIT)</b>						
Thunderful Games	21.6	21.9	47.2	30.0	202.4	185.3
Thunderful Distribution	12.0	-6.8	12.9	-6.0	59.0	40.0
Other	-8.9	-5.0	-16.2	-8.0	-37.4	-29.2
<b>Operating profit (EBIT)</b>	<b>24.9</b>	<b>10.0</b>	<b>44.0</b>	<b>16.1</b>	<b>223.9</b>	<b>196.1</b>
Operating margin (EBIT margin) - Thunderful Games, %	14.6%	15.2%	16.0%	11.8%	30.6%	29.8%
Operating margin (EBIT margin) - Thunderful Distribution, %	1.9%	-1.4%	1.2%	-0.6%	2.2%	1.5%
Operating margin (EBIT margin) - Thunderful Group, %	3.2%	1.6%	3.2%	1.3%	6.6%	6.1%



# Alternative KPIs

Certain information in this report that management and analysts use to assess the Group's development has not been prepared in accordance with IFRS. Management believes that this information makes it easier for investors to analyse the Group's earnings development and financial position. Investors should consider this information to be a complement to financial reporting in accordance with IFRS.

## Definitions and explanations of alternative KPIs

Alternative KPI	Definition	Explanation
<b>Net revenue growth</b>	Change in net revenue for the period, calculated as an increase in net revenue compared with the previous year, expressed as a percentage.	Indicates the business's net revenue during the period compared with the previous period.
<b>Gross profit</b>	Profit after operating income and costs for goods for resale and games-development services.	Indicates the product profitability of the core business.
<b>Gross margin</b>	Gross profit in relation to operating income.	Indicates the product profitability of the core business.
<b>Operating profit (EBIT)</b>	Operating profit after depreciation, amortisation and impairment of property, plant and equipment and intangible assets.	Enables comparisons of profitability regardless of capital structure or tax situation.
<b>Operating margin (EBIT margin)</b>	Operating profit in relation to operating income.	Enables comparisons of profitability regardless of capital structure or tax situation.
<b>EBITDA</b>	Operating profit before depreciation, amortisation and impairment of property, plant and equipment and intangible assets.	Shows the company's earning capacity from operating activities regardless of capital structure and tax situation and is intended to be compared with other companies in the same industry.
<b>EBITDA margin</b>	EBITDA in relation to operating income.	Shows the company's earning capacity from operating activities regardless of capital structure and tax situation and is intended to be compared with other companies in the same industry.
<b>Adjusted EBITDA</b>	EBITDA excluding items affecting comparability.	Shows the company's earning capacity from operating activities regardless of capital structure, tax situation and items affecting comparability and is intended to be compared with other companies in the same industry.
<b>Adjusted EBITDA margin</b>	Adjusted EBITDA in relation to operating income.	Shows the company's earning capacity from operating activities regardless of capital structure, tax situation and items affecting comparability and is intended to be compared with other companies in the same industry.
<b>EBITA</b>	Operating profit before amortisation of other intangible assets and after impairment of goodwill.	Shows the company's earning capacity from operating activities regardless of capital structure and tax situation and is intended to be compared with other companies in the same industry.
<b>EBITA margin</b>	EBITA in relation to operating income.	Shows the company's earning capacity from operating activities regardless of capital structure and tax situation and is intended to be compared with other companies in the same industry.
<b>Adjusted EBITA</b>	EBITA excluding items affecting comparability.	Shows the company's earning capacity from operating activities regardless of capital structure and tax situation and is intended to be compared with other companies in the same industry.
<b>Adjusted EBITA margin</b>	Adjusted EBITA in relation to operating income.	Shows the company's earning capacity from operating activities regardless of capital structure and tax situation and is intended to be compared with other companies in the same industry.
<b>Core working capital, net</b>	Inventories plus accounts receivable minus accounts payable.	Indicates the sum of core working capital that is tied up in the business and can be analysed in relation to net revenue to assess how efficiently the core working capital is used in the business.
<b>Interest-bearing net debt</b>	The sum of current and non-current interest-bearing liabilities to credit institutions, including overdraft facilities less cash and cash equivalents.	Interest-bearing net debt is a measure that shows the Group's interest-bearing indebtedness.
<b>Interest-bearing net debt/ EBITDA, R12M</b>	Interest-bearing net debt as a share of adjusted EBITDA, R12M.	Thunderful Group believes that this measure is helpful in showing financial risk and that it is a useful measure to monitor the Group's debt level.



## Calculation of alternative KPIs

MSEK	2023 Q2	2022 Q2	2023 Jan Jun	2022 Jan-Jun	2022/23 R12M	2022 Full-year
<b>Net revenue growth</b>						
Net revenue previous period	580.7	540.4	1,126.7	1,079.3	3,188.2	3,140.8
Net revenue current period	715.3	580.7	1,270.7	1,126.7	3,174.6	3,030.7
Net revenue growth, %	23.2%	7.5%	12.8%	4.4%	-0.4%	-3.5%
<b>Gross profit and gross margin</b>						
Operating income	776.5	618.7	1,387.7	1,225.7	3,377.8	3,215.8
Costs for goods for resale, purchased games-development services and royalties	-492.4	-385.9	-857.9	-766.0	-2,205.2	-2,113.3
<b>Gross profit, MSEK</b>	<b>284.1</b>	<b>232.8</b>	<b>529.8</b>	<b>459.7</b>	<b>1,172.7</b>	<b>1,102.5</b>
Gross margin, %	36.6%	37.6%	38.2%	37.5%	34.7%	34.3%
<b>Adjusted EBITDA and adjusted EBITDA margin</b>						
Operating profit (EBIT)	24.8	10.0	44.0	16.1	224.0	196.1
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	56.1	59.9	104.0	98.4	179.8	174.1
Adjusted non-recurring items	2.3	0.0	7.8	0.0	13.3	5.5
<b>Adjusted EBITDA</b>	<b>83.2</b>	<b>69.9</b>	<b>155.8</b>	<b>114.4</b>	<b>417.0</b>	<b>375.6</b>
Adjusted EBITDA margin, %	10.7%	11.3%	11.2%	9.3%	12.3%	11.7%
<b>Adjusted EBITA and adjusted EBITA margin</b>						
Operating profit (EBIT)	24.8	10.0	44.0	16.1	224.0	196.1
Amortisation and impairment of acquisition-related intangible assets	23.1	22.0	50.8	44.2	89.9	83.2
Adjusted non-recurring items	2.3	0.0	7.8	0.0	13.3	5.5
<b>Adjusted EBITA</b>	<b>50.1</b>	<b>32.1</b>	<b>102.6</b>	<b>60.2</b>	<b>327.1</b>	<b>284.8</b>
Adjusted EBITA margin, %	6.5%	5.2%	7.4%	4.9%	9.7%	8.9%
<b>Core working capital, net</b>						
Inventories	728.9	928.6	728.9	928.6	728.9	649.9
Accounts receivable	474.3	376.0	474.3	376.0	474.3	654.6
Accounts payable	502.1	375.0	502.1	375.0	502.1	598.7
<b>Total core working capital</b>	<b>701.1</b>	<b>929.5</b>	<b>701.1</b>	<b>929.5</b>	<b>701.1</b>	<b>705.8</b>
<b>Interest-bearing net debt/adjusted EBITDA, R12M</b>						
Non-current interest-bearing liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Current interest-bearing liabilities	415.6	330.4	415.6	330.4	415.6	174.9
Cash equivalents	-50.2	-78.2	-50.2	-78.2	-50.2	-56.6
<b>Interest-bearing net debt</b>	<b>365.4</b>	<b>252.2</b>	<b>365.4</b>	<b>252.2</b>	<b>365.4</b>	<b>118.3</b>
Adjusted EBITDA R12M	417.0	352.7	417.0	353.5	417.0	375.6
Interest-bearing net debt/adjusted EBITDA, R12M	0.9	0.7	0.9	0.7	0.9	0.3



## Other information

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### Financial calendar

Interim report Juli–Sep 2023  
Interim report Oct–Dec 2023

15 November 2023  
22 February 2024

#### For more information

More information about the Group is available on its website:  
[thunderfulgroup.com](https://thunderfulgroup.com)

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